

CALIFORNIA TRADE AND COMMERCE AGENCY

Gray Davis
Governor

Lon S. Hatamiya Secretary

As Chair and Vice-Chairs of the California Travel and Tourism Commission (CTTC), we are pleased to provide your business with your 2000/2001 Tourism Assessment Form and instructions. The California Tourism Marketing Referendum that passed in October 1997 established a mandatory assessment of businesses that benefit from increased tourism to California. It also established that businesses may pass along assessments to customers.

You are all aware of the strong economic impact of the California tourism industry and will find details in the Background section of this document (page 2), as well as in the enclosed CTTC "1999 Year in Review" Newsletter, that note the invaluable sources of spending, revenues and jobs that the industry generates. You may also be aware of the continued increase in competition within the industry and the net effect of a downward trend of visitor market share that California has been experiencing over the last eight years. With the industry's passage of the Tourism Marketing Referendum, the support of 4,000 businesses like yours and the establishment of a fund that is used for a variety of statewide marketing programs, we believe that we can reverse this downward trend, thereby ensuring the growth of new and repeat California visitor business and the viability of a strong California economy.

We are very excited about the wealth of new programs that originated as a result of CTTC funding, such as the *Adventures in Wild California* IMAX film that is now featured in theaters throughout California and the U.S. and will soon premier internationally. The film is projected to reach 12-15 million people worldwide and generate up to three billion gross impressions on California. CTTC funding has also provided a strong boost to existing California Tourism programs, including a 26% increase to the total advertising budget for the current Spring 2000 campaign.

The completion and return of the enclosed two-page form is required by state law. The form must be mailed (with payment, if applicable) no later than the due date. A return envelope is enclosed for your convenience. Additional information about California's tourism marketing program is available on the Internet at http://gocalif.ca.gov/tma/.

We thank you in advance for your time and your support of California's travel industry and the strong economic impact that the upcoming marketing programs will have on the California economy.

Sincerely,

Lon S. Hatamiya, Secretary

California Trade and Commerce Agency and Chair, California Travel and Tourism Commission

James O. Abrams, Executive Vice President

California Hotel & Motel Association and Vice Chair, California Travel and Tourism Commission

Bob Roberts, Executive Director

California Ski Industry Association and Vice Chair, California Travel and Tourism Commission

Division of Tourism

Main Office

801 K Street, Suite 1600 Sacramento, CA 95814

Assessment Program P.O. Box 2007

P.O. Box 2007 Sacramento, CA 95812-2007

Tel. (916) 322-3450 Fax (916) 322-3402 http://gocalif.ca.gov

Background

Travel and tourism is now one of the leading industries in the world. California tourism generates more than \$67 billion in tourism spending, \$4.5 billion in tax revenue, and employs nearly 700,000 Californians. Although these statistics are significant, California has experienced a 1-2% loss of tourism market share over the last eight years due to increasing competition from other destinations and a budget that has not grown with inflation. This market share loss translates into an annual loss of \$6.7 billion in spending, \$450 million in state and local revenues, and approximately 70,000 jobs.

Efforts to market California are effective, but more needs to be done to stay ahead of the competition. Without increased marketing funds, California cannot sustain year-round programs or compete with the extensive advertising and promotional efforts of other, better-financed domestic and international destinations. Reliance solely on state funding allocations placed California's tourism budget 24th among state tourism programs – a far cry from most of its major competitors. To increase California's marketing efforts, the California Tourism Marketing Act took effect on January 1, 1996. It established a process for businesses that benefit from money spent by travelers in California to assess themselves to finance a larger statewide tourism marketing program. In October 1997, these California businesses voted on a statewide referendum to approve a mandatory assessment that would fund a joint marketing program. The referendum passed by a 69% to 31% margin, establishing the California Travel and Tourism Commission (CTTC) and a statewide marketing fund derived from mandatory assessments collected by the California Trade and Commerce Agency.

The rate of assessment is 45 cents per one thousand dollars of travel and tourism revenue. All businesses receiving a Tourism Assessment Form are required to complete and return the form so it can be determined whether or not they must pay an assessment for the current year. The California Tourism Marketing Act states that businesses may pass assessments onto customers.

Assessment funds are used for television and print advertising, production and distribution of printed visitor information materials, Web site development, promotion of California's lesser-known and under-utilized destinations, and cooperative marketing partnerships that benefit regions, groups of like businesses and/or companies new to tourism. Many of these programs represent opportunities for companies, such as yours, to partner with the CTTC and California Tourism. If interested in participating, please contact the CTTC at (916) 322-5000 to receive the latest California Tourism Cooperative Opportunities Brochure. The CTTC, which oversees these programs, is managed by 37 appointed and elected commissioners, a statewide marketing committee, and an executive director selected by the travel industry.

It is crucial that companies directly benefiting from money spent by travelers take an active role in promoting California and reclaiming lost market share. By establishing the CTTC, and with the support of thousands of assessed businesses like yours, the California travel industry will collect a projected total of \$24 million in assessments over a four-year period. These funds will enable the travel industry to reverse the dangerous trend of lost market share, and ensure the growth of new and repeat California visitor business and the viability of a strong California economy.

General Instructions

Completion of this form is required by state law to meet annual filing requirements of the California Tourism Marketing Act, to claim exemption status and/or to amend previously submitted information.

The information must be true, correct and complete.

Submitting the Form: The Tourism Assessment Form must be completed and payment must be postmarked by the due date shown on the front of the form above the mailing address. Make checks payable to: California Travel and Tourism Commission (CTTC), and mail with the form to the California Trade and Commerce Agency, P.O. Box 2007, Sacramento, CA 95812-2007. If you need assistance, please contact us at (916) 322-3450 Monday through Friday 8:00 a.m. to 5:00 p.m. or visit our web site at http://gocalif.ca.gov/tma

Penalties: A late fee of 10% per annum will be assessed on late payments. Any business failing to provide information necessary to determine its assessment shall owe the segment maximum of \$250,000.00. (California Government Code Section 15372.110 (b)). Late fees and penalties shall commence 30 days after a Notice of Failure to Pay and shall be in addition to any assessment fees owed.

Multiple Locations: Businesses with multiple California locations (see Business Location in "Key Definitions" on Page 3) must either complete a Tourism Assessment Form **for each location** or utilize a Tourism Assessment Spreadsheet listing **all California locations.** A spreadsheet is available by calling (916) 322-3450.

New Business/Change of Ownership/Close of Business: The owner of record as of the printed due date is responsible for completing the form.

Exemptions

Some individual business locations that receive this form may receive negligible benefit from travel and tourism and therefore will be EXEMPT from any assessment. The only way we will know that your business is exempt is if you complete and return the enclosed form.

- You are exempt if you are a public body, which is defined as a public entity or a corporation where a majority of the corporation's board of directors is appointed by a public official or public entity, or serves on the corporation's board of directors by virtue of being elected to public office, or both. A public entity is an agency, department or instrumentality of the United States, State of California, or any political subdivision thereof. A public official is an employee of a public body or a person elected to the public body, who serves as a representative of that public body when making the appointment.
- You are exempt if you are a regular route intrastate and interstate bus service.
- You are exempt if you are not in an industry segment listed on the Industry Categories/Segments List.

You are exempt for this fiscal year's assessment cycle if any one of the following applies:

- Your California gross receipts are less than \$1 million.
- Less than 8 percent of the California gross receipts for this business is "travel and tourism revenue".
- You are a travel agency/tour operator that receives less than 20 percent of your California gross receipts from travel and tourism to places within California.
- After completing the calculations on the Tourism Assessment Form, you determine that the travel and tourism assessment would be less than \$50 for this business location.

Key Definitions

Assessment - The amount of annual fees owed by the business location.

<u>Authorized Representative</u> - A person authorized by the business to provide the information and sign the Tourism Assessment Form. Examples of authorized representatives include sole proprietors, corporate officers, general partners, and fiduciaries.

<u>Business</u> - An individual (sole proprietor), partnership, fiduciary, corporation, association, limited liability company, or any other business organization, whether operating on a profit or nonprofit basis.

Business Location - The street address where travel and tourism revenues are generated by a business.

A Tourism Assessment Form must be filed for each business location, unless a completed Tourism Assessment Spreadsheet is filed. A business has more than one location if the activities of the business have different street addresses, except the following shall be treated as a single Business Location: A Business Location with two or more street addresses and the locations of the street addresses are under common ownership, located on a single site (contiguous property under common ownership), and under the direction of a single Authorized Representative; or, two or more street addresses separated by a single street which are represented and promoted as one Business entity.

<u>California Gross Receipts</u> - Gross receipts, less returns and allowances from sales in California. For example, the amount shown on line 1c on Schedule F (FTB Form 100); Line 3 on Schedule C (IRS Form 1040), or for multi-state operations, Column (b) on Line 3 of FTB Schedule R-1 (Total sales). For travel agencies, income from commissions and fees from sales of travel to places within CA.

<u>Industry Categories/Segments</u> - There are four Industry Categories: A) Accommodations; B) Restaurants and Retail; C) Attractions and Recreation; and D) Transportation and Travel Services. Industry Segments are subsets of these four Industry Categories and are subject to assessment. Please see Page 4 for a listing of Industry Segments within each Industry Category.

Public Body - Please refer to "Exemptions" section above for Definition of Public Body.

<u>Travel and Tourism Revenue</u> - California gross receipts derived from expenditures to and/or within California by people who (1) travel at least 50 miles from home, one way, for purposes other than commuting to work or school; or (2) have an overnight accommodation as part of the travel, regardless of the distance or purpose traveled. "Home" as used in the definition of travel and tourism revenue means the place where the person has resided for the most recent 31 consecutive days.

Industry Categories/Segments

_			y categories/beginents		<u>-</u>
<u>A</u>	ACCOMMODATIONS	B410	Pizzeria, independent	C205	Gambling establishment
A100	Bed and breakfast inn	B415	Sandwiches and submarines shop	C210	Gambling machines, operation
A105	Campgrounds	B420	Seafood shack	C215	Historical society, w/admission fee
A110	Campsite	B425	Snack bar	C220	Hot air balloon rides
A115	Casino hotel	B430	Snack shop	C225	Houseboat rentals, rev. on rental of 30
A113	Dude ranch	B435	Snow cone stand	6225	days or less
A125	Hotels	B440	Soda fountain stand	C230	Marine basins, rev. on rental of 30 days or less
					,
A130	Hotel, franchised	B445	Soft drink stand	C235	Museum, w/admission fee
A135	Inns	DEOO	DRINKING PLACES	C240	Observation tower operation
A140	Lodging house, except organization	B500	Drinking places	C245	Opera company
A145	Lodging house, organization	B505	Bar (drinking places)	C250	Pack train, for amusement
A150	Motels	B510	Bars and lounges	C255	Performing arts center production
A155	Motel, franchised	B515	Beer garden (drinking places)	C260	Pier, amusement
A160	Motor Inn	B520	Cocktail lounge	C265	Planetarium, w/admission fee
A165	Recreational vehicle parks	B525	Saloon	C270	Plays, road and stock companies
A170	Resort hotel	B530	Tavern (drinking places)	C275	Pleasure boat rental, rev. on rental of 30
A175	Resort hotel, franchised	B535	Wine bar		days or less
A180	Seasonal hotel		NIGHT CLUBS	C280	Recreation equipment rental
A185	Ski lodge	B600	Night clubs	C285	Repertory, road/ stock companies; theatrical
A190	Tourist camps, cabins, cottages, and courts	B605	Cabaret	C290	Rodeo operation
A195	Trailer park	B610	Discotheque	C295	Rowboat and canoe rental, rev. on rental
A200	Vacation lodges		RETAIL		of 30 days or less
		B700	Art dealers	C300	Saddlehorse rental of 30 days or less
<u>B</u>	RESTAURANTS & RETAIL *	B705	Athletic shoes	C305	Sailboat rental, rev.on rental of 30 days or less
B100	American restaurant	B710	Books	C310	Scenic railroads for amusement
B100	Barbecue restaurant	B710 B715		C310	Ski rental concession
B105			Camera, photo		
B110 B115	Carry out only (except pizza) restaurant	B720 B725	Children's apparel Children's shoes	C320 C325	Spas Sporting goods roptal (not alsowhere cleefd)
	Carry-out only (except pizza) restaurant				Sporting goods rental (not elsewhere clssfd)
B120	Chicken restaurant	B730	Computer & software	C330	Summer theater
B125	Chinese restaurant	B735	Department stores, discount	C335	Surfing equip. rental, rev. on rental of 30 days
B130	Commissary restaurant	B740	Department stores, non-discount	0010	or less
B135	Drive-in restaurant	B745	Family apparel	C340	Symphony orchestra
B140	Ethnic food restaurants	B750	Family shoes	C345	Theatrical companies
B145	Family restaurant, chain	B755	Florists	C350	Theme park, amusement
B150	Family restaurant, independent	B760	Gems and precious stones	C355	Tourist attraction, commercial
B155	Fast-food restaurant, chain	B765	Gift, novelty; souvenir	C360	Tourist attractions, amusement park
B160	Fast-food restaurant, independent	B770	Hobby, toys, games		concessions and rides
B165	Fast-food stand	B775	Jewelry	C365	Waterslide operation
B170	French restaurant	B780	Luggage, leather	C370	Wax museum, commercial
B175	German restaurant	B785	Men's shoes	C375	Yacht basins, rev. on rental of 30 days or less
B180	Greek restaurant	B790	Men's/boys apparel	C380	Zoological garden, commercial
B185	Health food restaurant	B795	Misc. apparel	C385	Zoological garden, noncommercial,
B190	Indian/Pakistan restaurant	B800	Misc. general merchandise stores		w/admission fee
B195	Italian restaurant	B805	Misc. home furnishings		TRANSPORTATION
B200	Japanese restaurant	B810	News stands		
	•				AND TRAVEL SERVICES *
B205	Korean restaurant	B815	Optical		Airport ground transportation service
B210	Lebanese restaurant	B820	Radio, television, electronics	D105	Automobile rental, with driver
B215	Lunch counter (restaurant)	B825	Record & tape	D110	Charter buses, excursions except
B220	Mexican restaurant	B830	Specialty sporting goods		interstate, revenue reportable to PUC
B225	Pakistani restaurant	B835	Sporting goods	D115	Cruise ships/deep sea passenger
B230	Pizza restaurants	B840	Stationery		transport, revenue reportable to PUC
B235	Seafood restaurants	B845	Tobacco	D120	Excursion boat operators/
B240	Spanish restaurant	B850	Variety Stores		inland water local tour
B245	Sushi bar	B855	Women's apparel	D125	Ferries operating across rivers or w/in harbors
B250	Steak restaurant	B860	Women's shoes	D130	Filling stations, gasoline
B255	Thai restaurant	B865	Women's specialty apparel		(exempt sales of diesel fuel)
B260	Vietnamese restaurant			D135	Gasoline service stations
	EATING PLACES	<u>C</u>	ATTRACTIONS AND RECREATION		(exempt sales of diesel fuel)
B300	Box lunch stand	C100	Aerial tramway or ski lift, amusement or scenic	D140	Inland water taxis/ferries
B305	Buffet (eating places)	C105	Air shows	D145	Intercity highway transport, special service
B310	Cafeteria *	C110	Amusement concession	D150	Interstate bus line, revenue reportable to PUC
B315	Cafe	C115	Amusement parks	D155	Intraport transportation
B320	Chili stand	C120	Amusement ride	D160	Limousine rental, with driver
B325	Coffee shop	C125	Animal and reptile exhibit, w/admission fee	D165	Local bus charter service
B323	Concessionaire	C123		D103	
B335	Contract food services *	C130	Aquarium, w/admission fee Aquariums and zoological gardens,	D170 D175	Local passenger transptn. not elsewhere clssfd Local rental transportation
		C133			·
B340	Delicatessen (eating places)	C140	w/admission fee	D180	Marine service station
B345	Diner Diner theater	C140	Art gallery w/admission fee	D185	Motor home rental
B350	Dinner theater	C145	Art gallery, w/admission fee	D190	Motorcycle rental
B355	Eating places	C150	Art gallery, noncommercial, w/admission fee	D195	Passenger car rental
B360	Food bars	C155	Arts or science center w/admission fee	D200	Rafting tours
B365	Frozen yogurt stand	C160	Ballet production	D205	Recreational vehicle rental
B370	Grills (eating places)	C165	Beach & water sports equipment rental & svcs	D210	Rent-a-car service
B375	Hamburger stand	C170	Botanical garden, w/admission fee	D215	Sightseeing boats
B380	Hot dog stand	C175	Cave operation	D220	Sightseeing bus, revenue reportable to PUC
B385	Ice cream stands or dairy bars	C180	Concession operator	D225	Taxicabs
B390	Luncheonette	C185	Fair	D230	Tour and guide services
B395	Lunchroom	C190	Festival operation	D235	Tour operators/packagers & wholesalers
B400	Oyster bar	C195	Fishing boats, party, operation	D240	Travel agencies
B405	Pizzeria, chain	C200	Fishing lakes and piers, operation	D245	Water taxis



COMPLETE AND RETURN THIS FORM, WITH PAYMENT DUE, BY THE DATE SHOWN ABOVE YOUR ADDRESS ON THIS FORM

California Tourism Marketing Act

TOURISM ASSESSMENT FORM 2000/2001

A TOURISM ASSESSMENT FORM MUST BE COMPLETED FOR EACH BUSINESS LOCATION UNLESS A TOURISM ASSESSMENT SPREADSHEET IS COMPLETED. For assistance call (916) 322-3450.

Complete Name & Address for Billing Correspondence	Complete Name & Address of Business Location
1. If one or more of the preprinted addresses is incorrect (or missing), please enter the correct information below.
a) Dusings Name	d) I agation Name (if different)
a) Business Name	
b) Mailing Address	,
c) City, State, ZIP	f) City, State, ZIP
2. Enter the Federal Employer Identification Number (FEIN or if no FEIN exists, enter the Social Security Number (SSI) (The inclusion of a FEIN or SSN is mandatory pursuant to the promarketing Act (Government Code Section 15372.60 et seq.). The	N) of the primary owner 2
3. To determine if your business is exempt, refer to the "E: Segments" list on Page 4.	xemptions" section on Page 3 and the "Industry Categories/
3a) If your business location derives the greatest portion Segment not listed on Page 4, enter the number 1	on of its California gross receipts from an Industry in this box and state the principal activity on the line below:
3b) If any of the following apply to this Business Location	on enter the number 2 3 4 or 5 in this box:
(2) travel agency/tour operator, less than 20% from within California; (3) public body; (Please refer to "Key Definitions" on Page 3 for an	(4) less than 8% of gross receipts from travel and tourism;(5) gross receipts less than \$1 million.
	s are less than \$1 million, check the appropriate box below:
If you placed a number in box 3a or 3b, you are an Exe Go directly to line 13. Otherwise, go to line 4.	mpt Business or Exempt Business Location.
4. Enter the code number of the one Industry Segment (Paportion of its California gross receipts (e.g. the "Bed and Br	age 4) from which the Business Location earns the greatest reakfast Inn" code number is A100) 4
5. Optional Payment. If you wish to <u>voluntarily</u> pay the m payment of \$250,000.00 to: California Travel and Tourism	aximum assessment, enter <u>"\$250,000.00"</u> on line 5 and send Commission. Go directly to line 13 5
6. Enter the ending month and year of your accounting per the calendar year 1999, enter 12/99)	riod from your most recently filed tax return. (For example, for/
Page 3). DO NOT attach copies of income tax returns.	e 6, for this Business Location (refer to "Key Definitions" on
7a) If California gross receipts information is not available, i ☐ Business bought/sold(circle one) If sold, enter buyer's na Date Buyer	indicate reason and transaction date below, and proceed to line 13.

8. From the amount on line 7, subtract ex	xempt revenues as defined below (i	• • •	e: _ <u>00</u>
sailboards, surfing equipment and sp and Recreation Industry Segments All revenues from interstate transpor	30 days for each of the following: canoe baces in marine and yacht basins. Appl s.	es, houseboats, pleasure boats, rowboats, ies only to Business Locations in Attractions in the state and interstate and inters	ions
9. Enter the estimated percentage of line 0.65. (Refer to Page 3 for definition of Tr			as
If line 9 is less than .08, you are an Exe for this year. Go directly to line 13. Of			ment
(You are not required to show your method for three years and to produce it if reques		avel and tourism, but are required to ret	ain it
10. Multiply line 8 by line 9 and enter the	result here (e.g. \$1,000,000 x 0.65 =	\$650,000) 10	00
11. Multiply line 10 by .00045 (assessme dollar). This is your travel and tourism as			00
If line 11 is less than \$50, you are an E assessment for this year. Do not send		subject to a travel and tourism	
12. If the amount shown in line 11 is equ payable to: California Travel and Tourism not later than thirty (30) days following	n Commission. To avoid penalties,	payment must be postmarked	t due
13. Under penalty of perjury, I declare the belief, it is true, correct, and complete.	at I have examined the above informate	ation and to the best of my knowledge a	nd
Authorized Representative	Title	Signature	
()Phone Number	()Fax Number	Date	
E-Mail Ado	lress:	(optional)	
(Please note: A person who provides fals		\$10,000 in addition to the amount of	

MAIL THE COMPLETED FORM WITH PAYMENT IN THE RETURN ENVELOPE PROVIDED.

If you did not receive a return envelope or have misplaced it, return the form, with payment, payable to: California Travel and Tourism Commission (CTTC), and send to the California Trade and Commerce Agency, P.O. Box 2007, Sacramento, CA 95812-2007.

For assistance, call (916) 322-3450 Monday through Friday 8:00 a.m. to 5:00 p.m. Please visit our internet site at http://gocalif.ca.gov/tma for additional forms and information about the California Tourism Marketing Program and the Assessment Program.

California Travel & Tourism Commission List of Commissioners

CHAIR - Lon Hatamiya, Secretary, California Trade and Commerce Agency

APPOINTED COMMISSIONERS BY REGION

Deserts, Mike Fife, President, Palm Springs Desert Resorts Convention & Visitors Authority (1/02)

San Diego County, William Davis, Executive Vice-President & General Manager, SeaWorld (1/02)

Inland Empire, Ted Weggeland, President, Entrepreneurial Hospitality Corp. (1/02)

Orange County, Bill O'Connell, Co-Owner, Stovalls Best Western (1/00)

Los Angeles County, Tadao Fujiwara, Tadao Fujiwara, M.D. (1/04)

Central Coast, Ted Balestreri, General Managing Partner, Cannery Row Company (1/00)

High Sierra, Dennis Harmon, President, Heavenly Ski Resort (1/00)

San Francisco Bay Area, John Marks, President, San Francisco Convention and Visitors Bureau (1/00)

Gold Country, CTTC Chief Financial Officer, John Kautz, Chairman, Kautz Ironstone Vineyards (1/02)

Central Valley, Vacancy

Shasta Cascade, John Koeberer, President, California Parks Company (1/02)

North Coast, Vacancy

ELECTED COMMISSIONERS BY INDUSTRY

Accommodations

CTTC Vice Chair - Jim Abrams, California Hotel and Motel Association (1/02)

James J. Amorosia, Motel 6 Operating L.P. (1/04)

Glyn Davies, Simpson House Inn (1/04)

Mark Erskine, San Diego Marriott Hotel and Marina (1/02)

Anne Evans, Evans Hotels (1/04)

Michael Gelfand, Terra Vista Management (1/02)

Charles Hays, Far Horizons 49er Trailer Park (1/02)

Greg Hendel, Best Western Palm Springs (1/02)

Rick Lawrance, California Lodging Industry Association (1/02)

Chris Middleton, American Hotels Inc. (1/04)

Cormac O'Modhrain, Park Hyatt Los Angeles (1/04)

Gene Zanger, CASA de FRUTA (1/04)

Restaurants and Retail

Ted Burke, Shadowbrook Restaurant (1/02)

Jeani Lund, Creative Marketing Services (1/02)

Ric Service, Las Casuelas Terraza (1/04)

Vacancy (1/04)

Attractions and Recreation

Claire Bilby, Sales/Travel Operations Disneyland (1/02)

Steve Lew, Universal Studios (1/04)

CTTC Vice Chair - Bob Roberts, California Ski Industry Association (1/02)

Transportation and Travel Services

Michael Gallagher, City Pass Inc. (1/04)

Anastasia K. Mann, Corniche Travel (1/04)

Robert Neuberger, Avis Rent A Car (1/02)

Rita Vandergaw, Port of San Diego (1/02)

Terry MacRae, Hornblower Cruises & Events (1/04)

(Term expirations are shown in parenthesis)

List updated May 2000